

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTERS OF:

SLIDELL LANDFILL, LLC	*	Settlement Tracking No.
AI # 6054	*	SA-MM-06-0041
COASTAL WASTE SERVICES, INC.	*	
AI # 106715	*	Enforcement Tracking Nos.
CJS ENVIRONMENTAL, LLC	*	WE-CN-04-0949, as amended (0949A)
d/b/a JOHNNY POTS	*	WE-AO-04-1119
AI # 126894	*	WE-CN-04-1070, as amended
PARIS PROPERTIES, LLC	*	SE-CN-05-0039, as amended
AI # 125714, 125716, 100215	*	SE-CN-05-0061, as amended
CJS REAL ESTATE, LLC	*	WE-PP-04-1200
AI # 116362, 125413, 121984	*	WE-CV-05-0258
MARLSTONE PROPERTIES, LLC	*	WE-PP-04-1198
AI # 42401	*	WE-C-05-0259
KIDZ KLUB HOUSE, LLC	*	WE-CV-05-0221
AI # 51672	*	WE-PP-05-0265
PEARL RIVER TRANSPORT, INC.	*	WE-PP-03-0277
AI # 128578	*	WE-PP-04-1205
THE TESTAMENTARY TRUST OF	*	WE-PP-01-0723
JOHNNY F. SMITH	*	WE-PP-02-0099
AI # 29948, 125715, 125717, 41993,	*	
41996, 11476, 41995	*	
	*	
PROCEEDINGS UNDER THE	*	Docket No.
LOUISIANA ENVIRONMENTAL	*	2005-6138-EQ
QUALITY ACT	*	(WE-CN-04-0949&WE-CN-04-0949A)
LA. R.S. 30:2001, <u>ET SEQ.</u>	*	

SETTLEMENT

The following Settlement is hereby agreed to between the Respondents (defined collectively herein as Slidell Landfill, LLC, Coastal Waste Services, Inc., CJS Environmental, LLC d/b/a Johnny Pots, Paris Properties, LLC, CJS Real Estate, LLC, Marlstone Properties, LLC, Kidz Klub House, LLC, Pearl River Transport, Inc., and The Testamentary Trust of Johnny

F. Smith) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I.

Respondents are corporations, limited liability companies, testamentary trusts, and/or other types of juridical entities that own or operate facilities or conduct activities, primarily in St. Tammany Parish, Louisiana, which are regulated by the Department.

II.

At various times, the Department has issued enforcement actions to the Respondents, where the Department’s findings of fact were made, setting forth violations of the Act and/or the regulations promulgated thereunder. Additionally, the Department has conducted inspections, investigations, and/or file reviews, and has received complaints or other information, relating to either various facilities owned or operated by the Respondents or activities conducted by the Respondents.

A. The Department has issued the following enforcement or other actions against or to the Respondents, each of which are attached to this Settlement and made a part hereof:

Respondent	Enforcement Action	Exhibit Number
Slidell Landfill, LLC	WE-CN-04-0949	Exhibit 1
	Request for Hearing	Exhibit 1A
	WE-CN-04-0949A	Exhibit 2
	Request for Hearing	Exhibit 2A
Coastal Waste Services, Inc.	WE-AO-04-1119	Exhibit 3
	WE-CN-04-1070	Exhibit 4
	WE-CN-04-1070A	Exhibit 5
	SE-CN-05-0039	Exhibit 6
	Request for Hearing	Exhibit 6A
	SE-CN-05-0039A	Exhibit 7
	Request for Hearing	Exhibit 7A

CJS Environmental, LLC d/b/a Johnny Pots	SE-CN-05-0061 Request for Hearing SE-CN-05-0061A Request for Hearing	Exhibit 8 Exhibit 8A Exhibit 9 Exhibit 9A
Paris Properties, LLC	WE-PP-04-1200 WE-CV-05-0258 WE-PP-04-1198	Exhibit 10 Exhibit 11 Exhibit 12
CJS Real Estate, LLC	WE-C-05-0259 WE-CV-05-0221	Exhibit 13 Exhibit 14
Marlstone Properties, LLC	WE-PP-03-0277	Exhibit 15
Kidz Klub House, LLC	WE-PP-01-0723	Exhibit 16
The Testamentary Trust of Johnny F. Smith	WE-PP-02-0099 WE-PP-04-1205 WE-PP-05-0265	Exhibit 17 Exhibit 18 Exhibit 19

B. The Department has also conducted inspections, investigations, and/or file reviews, and received complaints or other information, relating to the facilities or entities listed in Exhibit 20, which is attached to this Settlement and made a part hereof.

III.

The Respondents (collectively and individually) deny they have committed any violations or that they are liable for any fines, forfeiture, and/or penalties.

IV.

A. Nonetheless, the Respondents, without making any admission of liability under state or federal statute, regulation, or order agree to pay, and the Department agrees to accept, a payment in the amount of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00), of which TWELVE THOUSAND FIVE HUNDRED THIRTY-THREE AND NO/100 DOLLARS (\$12,533.00) represents DEQ's enforcement costs, in full and complete settlement of all actions and claims (which have been or which could have been brought), as well as any and all allegations, inspections, investigations, file reviews, complaints, and/or information received, relating to the Respondents, facilities, or entities listed in Exhibit 20.

B. In consideration of the above-referenced payment, the parties to this Settlement fully and completely resolve and settle any and all enforcement actions and/or other actions or orders issued by the Department against the Respondents, and any and all claims, including any enforcement actions of any type, that have been or which could have been brought or issued by the Department resulting from any inspection, investigation, file review, complaint, and/or information received relating to the facilities or entities listed in Exhibit 20 for violations of the Act, the regulations promulgated thereunder, or orders of any type as of the date this Settlement is finally signed by the Department.

C. This Settlement is intended to include and encompass any and all owners, directors, officers, members, direct employees, and beneficiaries of testamentary trusts of the entities listed in Exhibit 20.

D. In addition to the above-referenced payment, the Department acknowledges that one of the Respondents, CJS Environmental, LLC d/b/a Johnny Pots, has already agreed to pay, and will pay, the amount of SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000.00) to the United States, the Louisiana State Police "Right to Know Fund", and the Southern Environmental Enforcement Network "Enforcement Training Fund" for the resolution of certain claims that are also resolved herein.

E. In entering into this Settlement and accepting the above-referenced payment, the Department also acknowledges that the Respondents have expended approximately ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) to enhance environmental compliance at the various facilities owned or operated by the Respondents and other entities listed in Exhibit 20. For example, the following have been accomplished:

1. Slidell Landfill, LLC subjected itself to voluntary sampling and discharge procedures for contact and non-contact stormwater from Cell Nos. 1 and 2, which are above and beyond that which is required under its permit and by the Administrative Order issued by the Department. Since that time, there have been no exceedences of its permit. Slidell Landfill, LLC will continue to follow these guidelines until a renewed permit is issued or denied by the Department.

2. Slidell Landfill, LLC has worked and cooperated with the United States Army, Corps of Engineers, regarding wetlands issues, including supplying information regarding past Corps evaluations of the site, supplying information of approvals by the Corps for use of the site, and voluntarily subjecting itself to restrictions and operating practices designed to ensure that no known wetlands are impacted in any way. Slidell Landfill, LLC has agreed to mitigate any loss of wetlands so that there is no net loss of wetlands resulting from past or present facility operations.

3. Slidell Landfill, LLC, and Coastal Waste Services, Inc., in consultation with the United States Army, Corps of Engineers, have improved the perimeter levee system.

4. Slidell Landfill, LLC and Coastal Waste Services, Inc. have supplemented and expanded their Stormwater Pollution Prevention Plans ("SWPPP") to create and implement comprehensive plans and procedures for ensuring that the presence of pollutants in stormwater is minimized.

5. Slidell Landfill, LLC and Coastal Waste Services, Inc. and other Respondents retained and utilized well-qualified environmental consultants.

6. Coastal Waste Services, Inc., in consultation with the United States Army, Corps of Engineers, and the Department, has improved the site to include a stormwater retention pond into which all stormwater from the site is directed. Since the pond became operational, no exceedance of discharge limits have occurred.

7. Coastal Waste Services, Inc. and CJS Environmental, LLC d/b/a Johnny Pots have instituted procedures and safeguards ensuring all waste from each facility is transported to properly permitted facilities for treatment or disposal.

8. The Respondents and entities owning or operating sewer treatment plants have enhanced environmental compliance, by, among other things:

- a. Obtaining permits for each sewer treatment plant;
- b. Inspecting, sampling, and servicing each sewer treatment plant, as needed;
- c. Instituting a proper schedule for sampling and maintenance;
- d. Submitting all Discharge Monitoring Reports; and
- e. Addressing the Department's areas of concern.

F. Notwithstanding Section IV.B, this Settlement does not include any actions, claims, allegations, inspections, investigations, file reviews, complaints, and/or information received as they may relate to the following facilities after the activity and date specified in this sub-section:

1. Kidz Klub House, LLC - Permit transferred on April 6, 2006;
2. KABCO - Leased no later than December 1, 1997;
3. Northshore Golf Cart, Inc./Sleep Center - Permit transferred on January 6, 2006.

G. The total amount of money expended by Respondents on cash payments to DEQ as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V.

Respondent further agrees that the Department may consider the inspection report(s), enforcement actions, and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action, Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

VI.

This agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VII.

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

VIII.

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in St. Tammany Parish, Louisiana. The advertisement, in form, wording, and size approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted a proof-of-publication affidavit to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

IX.

Payment of the amount as set forth in Section IV.A above, is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Darryl Serio, Office of Management and Finance, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XII.

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XIII.

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement on behalf of his/her respective party, and to legally bind such party to its terms and conditions.

SLIDELL LANDFILL, LLC
 PARIS PROPERTIES, LLC
 MARLSTONE PROPERTIES, LLC
 PEARL RIVER TRANSPORT, INC.
 CJS ENVIRONMENTAL, LLC d/b/a JOHNNY POTS
 THE TESTAMENTARY TRUST OF JOHNNY F. SMITH

COASTAL WASTE SERVICES, INC.
 CJS REAL ESTATE, LLC
 KIDZ KLUB HOUSE, LLC

ALL REPRESENTED HEREIN BY:

CRJ
 Christopher R. Jean
 President, Member, and/or Director

THUS DONE AND SIGNED in duplicate original before me this 5th day of
December, 2006, at Baton Rouge, Louisiana.

[Signature]
 NOTARY PUBLIC (ID # 30516)

Michal A. Gantreaux
 (Print Name)

LOUISIANA DEPARTMENT OF
 ENVIRONMENTAL QUALITY
 Mike D. McDaniel, Ph.D., Secretary

BY: [Signature]
 Harold Leggett, Ph.D., Assistant Secretary
 Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 9th day of
February, 2007, at Baton Rouge, Louisiana.

[Signature]
 NOTARY PUBLIC (ID # 20456)

Jed R. Boyles
 (Print Name)

Approved: [Signature]
 Harold Leggett, Ph.D., Assistant Secretary